



United States
Department of
Agriculture

SEP 19 1997

Office of the Chief
Information Officer

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Washington, DC
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TO: Subcabinet
Agency Heads

FROM: Anne F. Thomson Reed
Chief Information Officer

SUBJECT: Year 2000 Initiative

On August 11, 1997, the Secretary directed that specific actions be taken to ensure that the Department of Agriculture (USDA) leadership takes an active role in meeting the requirements set by the Office of Management and Budget (OMB) in preparing for the Year 2000 issue. As most of you are aware, based upon the latest report to Congress by OMB, our overall progress to date has been less than the Federal average and our performance was given a grade of "D-" by the House Subcommittee on Government, Management, Information, and Technology.

As a result of our performance, OMB has proposed and is prepared to impose severe limits on the Fiscal Year 1998 and 1999 acquisition of Information Technology (IT) resources by the Department and to redirect our IT budget to address Year 2000 issues. We cannot afford a two year limitation on our departmental IT initiatives. Effective immediately, I am directing that the following actions are taken:

1. Each Agency Head will ensure, by no later than November 1, 1997, that all mission critical systems have been assessed and a determination made as to whether the systems will be replaced, renovated, or are compliant with Year 2000 requirements. We cannot afford to send our next quarterly report to OMB (due November 15) and not have the assessment phase completed.
2. All mission critical systems within the Department must meet Year 2000 compliance requirements by no later than September 1, 1999. I am requiring that each Agency supplement its current Year 2000 plan and provide me with a detailed plan that specifies the schedule for bringing each mission critical system to this stage of readiness. This plan should be submitted by November 1, 1997.

Effective also with the date of this letter, I am amending the implementation guidance for the current USDA IT moratorium to operate as follows:

1. Waivers from the moratorium will be granted **only** for emergencies and for acquisitions that are directly related to ensuring Year 2000 compliance. Designation of an IT emergency will be determined only by me.

2. The moratorium will apply to all IT acquisitions over \$25,000 and any IT acquisitions of telecommunications equipment, regardless of dollar value, for dedicated circuits, switches, and routers.
3. The moratorium will continue to allow exceptions for (a) the renewal of existing contracts for maintenances and leases, so long as optional enhancements and/or upgrades which exceed the \$25,000 threshold are not involved, and (b) IT acquisitions for organizations other than USDA agencies when funded by USDA grants.

I expect that each of you will establish procedures within your agencies to assure compliance with the moratorium, including:

- ensuring the spirit of the moratorium is observed for acquisitions below \$25,000; and
- ensuring requirements are not split in order to circumvent the \$25,000 threshold.

Year 2000 will require sustained efforts and senior management commitment for the duration of this program-threatening initiative. We must demonstrate that we are prepared and committed to meeting this challenge head-on. These changes will remain in effect until rescinded by me.

cc: Deputy Administrators for Management